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The Italian Wine Sector Overview

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Wine

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Report Highlights:

Italy's 2015 wine production is preliminarily estimated at 4.7 billion liters, 13.5 percent more than the previous campaign (4.2 billion liters) and 4 percent above the ten-year average, thanks to ideal weather conditions. Italy's wine exports remained stable at 2 billion liters valued at \$6.7 billion in 2014. The top Italian wines consumed in the United States are Pinot Grigio, Prosecco, Spumante, Moscato, and Lambrusco. Italy's wine imports reached 255 million liters valued at \$380 million in 2014.

General Information:

Production

Italy's 2015 wine production is preliminarily estimated at 4.7 billion liters, 13.5 percent more than the previous campaign (4.2 billion liters) and 4 percent above the ten-year average, thanks to ideal weather conditions. A wet winter fostered notable growth, while a warm and dry summer reduced vine disease. Late summer rainfall proved particularly beneficial, favoring an excellent ripening. Wine production increased by 30 percent in Puglia; 25 percent in Sicilia; 15 percent in Veneto, Lazio, Umbria, and Trentino Alto Adige; 10 percent in Friuli Venezia Giulia, Campania, and Marche; 5 percent in Emilia Romagna, Abruzzo, and Sardegna. Production in Piemonte and Lombardia remained flat. Only Tuscany saw a decrease of 5 percent in its wine production. Reportedly, quality is expected to be excellent. Approximately one-third of Italy's wine production is Controlled Appellation (DOC and DOCG). The most popular grape varieties for red wine are Montepulciano, Barbera, Sangiovese, and Merlot. Tocai is the most popular choice for white wine, but also Prosecco, Chardonnay, and Pinot Grigio.

Consumption

Wine consumption has been declining in Italy for decades. Causes for the trend include changing lifestyles and tastes, as well as anti-alcohol drinking campaigns. Per capita wine consumption is forecast at 36 liters for 2015, considerably lower than 110 liters in the 70s. Recent wine consumer surveys show that Italian origin and familiarity with the winery are the main elements in determining consumer choice. Despite economic austerity measures, Italian wine consumers are seeking higher quality wines, but still in the modest price range.

Trade

Italy's wine exports remained stable at 2 billion liters valued at \$6.7 billion in 2014. The United States (293 million liters valued at 1.5 billion), Germany (588 million liters valued at \$1.3 billion), and the United Kingdom (296 million liters valued at \$867 million) are key markets. The top Italian wines consumed in the United States are Pinot Grigio, Prosecco, Spumante, Moscato, and Lambrusco. Italy's wine imports reached 255 million liters valued at \$380 million in 2014, mainly from France (19 million liters valued at \$192 million), Spain (164 million liters valued at \$78 million), and the United States (47 million liters valued at \$60 million).

Promotion

In Italy, funds for promotion from the EU wine Common Market Organization totaled €49.2 million in 2011, €82.4 million in 2012, and €102.2 million in 2013. Funds have been used to participate in trade shows, workshops, and wine tastings in the United States, the United Kingdom, Canada, Switzerland, and Japan. Other target markets include Russia and Hong Kong. Italy's largest wine trade show, Vinitaly, is held annually in April in Verona.

